

SCHEME FOR IMPROVEMENT OF MEDICAL SERVICES

(For Voluntary Organisations)



**MINISTRY OF HEALTH & FAMILY WELFARE
GOVERNMENT OF INDIA**

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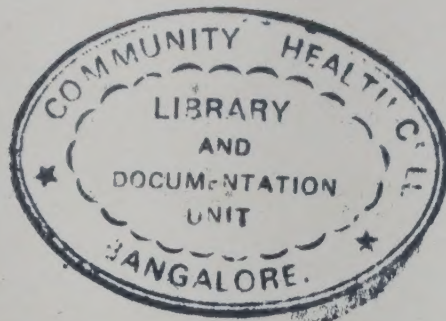
Society for Service to Voluntary

Agencies, Karnataka Chapter

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Community Health Cell
Library and Documentation Unit
BANGALORE

COMMUNITY HEALTH CELL

SCHEME FOR IMPROVEMENT OF MEDICAL SERVICES

I. Title of the Scheme

The scheme shall be known as the Scheme for Improvement of Medical Services.

II. Goal

The scheme seeks to provide medical care to rural and high density urban slum population of the country.

III. Purpose of the Scheme

The purpose of the scheme is to encourage voluntary organisations to provide improved medical services.

IV. Objectives of Assistance

Financial assistance under this scheme would be available to voluntary organisations which are running hospitals in rural areas or in urban areas but are catering to high density urban slums only for expansion and improvement of existing hospital facilities. Therefore, assistance under this scheme will NOT be admissible for the following:-

- i) Setting up of new hospitals.
- ii) Setting up of private nursing homes/clinics.
- iii) Recurring expenditure for running hospital.
- iv) Setting up or expansion of a Research Centre in any field of medicine.
- v) For undertaking an activity for which financial assistance is admissible under separate grant-in-aid schemes of the Government of India and State Government.
- vi) For supplementing percapita grants given by a State Government in discharge of a statutory responsibility.

V. Conditions of Eligibility of Assistance

Voluntary organisations/institutions which fulfil the following criteria shall be eligible for grants under the scheme:-

- i) It must be registered under the Societies Registration Act of 1860 or any other statute.
- ii) It should not be run for profit to any individual or group of individuals.
- iii) It should be non-official and under non-proprietary management.
- iv) It must offer services to the general public without any distinction of religion, caste, creed or colour.
- v) It should have personnel, resources, experiences and managerial ability to carry out the purpose for which the grant of financial assistance has been asked for.
- vi) Its work and financial position should be reported as satisfactory and payment of grant-in-aid should be recommended by the State Government.
- vii) It should normally be engaged in the treatment of tuberculosis, leprosy, cancer, eye and other diseases.
- viii) It should agree to reserve a minimum of one fifth of the beds as free beds as per the definition of free bed/free medical care given as a part of the application form.
- ix) It must be of sound financial standing and agree to meet its share of non-recurring expenditure, wherever applicable.
- x) It should have furnished to the Government of India utilisation documents in respect of the earlier grants after they have become due.
- xi) Assistance shall ordinarily be given to an institution once in three years.

VI. Pattern of Assistance

- a) ~~Financial~~ assistance will be given for purchase of costly essential equipment such as X-Ray Plant, ambulance, operation theatre equipment, sterilizer, hospital cots, bed-side lockers, surgical instruments, laboratory equipment, etc. The Directorate General of Health Services shall be the final authority in deciding whether an item of equipment is essential or not.

The essential hospital equipment shall not include fixtures, furniture and consumable stores.

- b) For additional construction for expansion of hospital facilities for the indigent construction of operation theatre, X-Ray laboratory blocks and wards for the poor, the extent of assistance shall be as follows:-
- i) Cent percent where the institution is engaged exclusively in treatment of Leprosy, eye diseases and blindness; and
 - ii) Fifty percent in the case of others.
 - iii) Where assistance from the Government of India is limited to fifty percent of the expenditure, the balance fifty percent shall be met by the institution.
- c) No assistance will be admissible to cover reimbursement of expenditure already incurred by the institution.
- d) The total amount that will be released to an institution for equipment and/or construction shall not exceed Rs. 400 lakhs in a year.
- e) To take care of the cost escalations, the Joint Secretary and the Financial Adviser, Ministry of Health and Family Welfare, shall be competent to increase the amount of grant as recommended by the Grants Committee by upto ten percent subject to the ceiling of Rs. 400 lakhs referred to in (d) above.

VII. Conditions of the Grant

- a) The grant shall be utilised only for the purpose for which it has been sanctioned.

- b) i. The institution shall execute a bond in prescribed form with two sureties to the effect that it will abide by all the conditions of the grant.
- ii. The requirement of furnishing the sureties will not be necessary if the institution is a society registered under the Societies Registration Act, 1860, or any other Statute or is a Cooperative society or an institution of standing.
- iii. When the bond is also signed by two sureties, both of them should be solvent and owners of such assets worth not less than the amount of the bond as can be attached and sold in execution of a court decree. This fact should be certified by the District Magistrate or other equivalent authority on the body of the bond.
- c) The institution shall maintain an account with a scheduled Bank or a Post Office in the name of the institution and not of an individual whether by name or by designation. The account should be operated jointly by two office-bearers.
- d) The entire amount of the grant for construction should be utilised within a period of one year from the date of drawal from the Treasury or the date of demand draft of the 2nd or final instalment. Grants sanctioned for the purchase of essential hospital equipment should be utilised within a period of six months from the date of drawal from the Treasury or the date of demand draft. If any delay is likely to occur in the utilisation of the grant, the period of utilisation of the grant may be extended by a further period not exceeding six months in exceptional circumstances by the Government of India. If the grantee institution fails to utilise the entire amount of the grant within the original or extended period, any unspent balance of the grant will have to be refunded to the Government of India forthwith, with interest.
- e) No articles involving, foreign exchange expenditure should be purchased and no assistance for the import of any articles will be provided by the Government of India.
- f) In the case of grants for construction or alteration of buildings, once the plans and estimates of the building have been approved and grant released, they shall not be modified by the organisation without the prior approval of the Government of India.

- g) The institution shall submit a statement duly attested by the auditors, alongwith the audited accounts, specifying clearly that no grant-in-aid has been sanctioned for the same purpose by any other department of the Central or State Government.
- h) No portion of the grant will be utilised for furtherance of political movement.
- i) The institution will not indulge in corrupt practices.
- j) If the grant or any part thereof is proposed to be utilised for a purpose other than that for which it is sanctioned, prior approval of the Government of India shall be obtained which may be given only in exceptional circumstances on very special grounds.
- k) The institution shall not divert the whole or part of the grant nor shall it entrust the execution of the scheme for which the grant is made to another institution or organisation. In cases where after having received the grant-in-aid from the Central Government, the institution is not in a position to execute or complete the assignment, it shall refund forthwith to the Central Government the entire amount of grant received by it, with interest.
- l) In the case of building grant, the Government of India shall have a prior lien on the building for the recovery of the amount paid as grant-in-aid in the event of the buildings ceasing to be utilised for the approved purpose.
- m) In case where construction is made on State Government land and the State Government also gives a part of the cost, the title will rest with the Government of India and the State Government to the extent to which they have paid for the cost and in the event of disposal of such buildings, the Government of India and the State Government will have prior lien on the building in proportion to the cost contributed by them.
- n) When the Central Government has reasons to believe that the sanctioned money is not being utilised for approved purposes, the payment of further grants may be stopped and the earlier grant recovered with interest.

- o) The Government of India may call for periodical reports indicating the expenditure on each of the objects as detailed in the scheme with a view to check whether there have been any variations or unauthorised diversion of funds.
- p) Any portion of the grant, which is not utilised for expenditure upon the objects for which it was sanctioned will be refunded in cash to the Government of India with interest.
- q) The institution shall submit to the Government of India periodical reports indicating the expenditure on each of the objects as detailed in the scheme and certify that there has been no variations or unauthorised diversion of funds.
- r) The accounts of the institution shall be audited by a Chartered Accountant/a Government Auditor immediately after the end of the financial year. The accounts of the grant shall be maintained properly and separately from its normal activities and submitted as and when required. They should always be open to inspection by any member of the Grants Committee constituted by the Ministry of Health and Family Welfare (Department of Health) or by any officer of Central Government or the State Government concerned. They shall also be open to test-check by the Comptroller and Auditor General of India, at his discretion.
- s) Where the amount of the grant in any financial year together with the unutilised grant carried over from the preceding financial year is collectively not less than Rs. 5 lakhs, the accounts of the institution will be audited by the concerned Accountant General (i.e. by the Accountant General in whose jurisdiction the institution is situated).
- t) Where the amount of grant exceeds Rs. 5 lakhs, the institute shall maintain subsidiary accounts of grant and furnish to the Director of Audit, Central Revenues, New Delhi, the following, quoting number and date of the sanction:-
 - i) A copy of the Receipt and Payment accounts, Income and Expenditure accounts and balance sheet for the body as a whole.
 - ii) A copy of its constitution.

- u) The equipment purchased or buildings constructed with the aid of the grant will vest in the Government of India and the institution shall maintain an audited records in the enclosed proforma of all permanent and semi-permanent assets acquired wholly or substantially out of the grant. Such assets shall not be disposed off encumbered or utilised for purpose other than those for which the grant was given without prior permission of the Government of India. Should the institution cease to exist at any time, such properties shall revert to the Government of India. The register shall be maintained separately in respect of each sanction and a copy thereof furnished to the Government of India annually with the audited accounts after the close of the financial year. The term 'assets' referred to above means (i) immovable property and (ii) movable property of a capital nature where the value exceeds Rs. 1,000/-. Library books and articles of furniture need not be taken as falling within the term 'asset'.
- v) The institution shall, after the grant is utilised, prominently display —
- the quantum of assistance ;
 - its purpose; &
 - the number of free beds available.
- w) The institution shall furnish the following utilisation documents immediately after the grant is utilised or within 15 months of the release of final instalment of the grant in the case of equipment whichever is earlier or such further period as may be agreed to by the Government of India:
- a) A utilisation certificate duly certified by a Chartered Accountant.
 - b) A completion report from a qualified Architect/Engineer duly certified by the State PWD in the prescribed proforma.
 - c) A certificate duly certified by a Chartered Accountant regarding non-receipt of grant for the same purpose from any agency.
 - d) A statement, in duplicate, of assets, duly certified by a Chartered Accountant.

- e) Audited statements of accounts for the organisation viz. Income & Expenditure Statements, Receipt Payment Accounts and Balance Sheets reflecting the grants received from the Government of India and the share of the institution (if applicable) and the expenditure incurred there against, duly certified by a Chartered Accountant.
- f) An achievement-cum-performance report indicating:-
 - i) the purpose for which the grant was sanctioned;
 - ii) the manner in which it has been utilised; and
 - iii) the nature and extent of improvement of performance of the institution with the help of the grant.
- x) The payment of grant-in-aid will be made by the Government of India through a crossed cheque/demand draft after all the requirements mentioned in the sanction letter are fulfilled by the institution.
- y) The institution shall adequately maintain all assets created out of the grant.
- z) Such institutions as receive a grant of Rs. 2.00 lakhs or more should provide free referral services for at least one Primary Health Centre.

VIII. Release of Grant

- a) The grant for equipment will be released in a single instalment.
- b) The grant for construction will be released in two instalments - The first instalment amounting to fifty percent of the admissible grant will be released after issue of the sanction and completion of the necessary formalities and the remaining fifty percent after the construction has come to the plinth level.
- c) The grant will be released only after the institution submits the following documents:
 - i) Where the institution is to make a matching contribution, a certificate to the effect that it is already in possession of the amount to the extent.

- ii) For imported stores, a letter from a reputable Indian firm/dealer that the stores in question are already available in stock and delivery will be arranged against payment.
- iii) For indigenous stores, which are in short supply, e.g. motor vehicles, etc., an allotment order in favour of the institution.

IX. Procedure for Submission of Application

- a) A copy of the application form for seeking financial assistance under the scheme is enclosed. The institution shall send three copies to the concerned State Government. One copy shall also be forwarded to the Secretary to the Government of India, Ministry of Health & Family Welfare, Nirman Bhavan, New Delhi, for advance scrutiny. Out of the three copies received by it, the State Government shall, if it recommends the application, send one copy to the Ministry of Health and Family Welfare alongwith the prescribed recommendation certificate.
- b) Each application shall be accompanied interalia by the following documents :-
 - i) A certified copy of the certificate of registration of the institution under the Societies Registration Act, 1860, or any other statute.
 - ii) A certified copy of the documents showing the constitution of the Governing Body or Managing Committee responsible for its maintenance, alongwith the name and designation of the authority who is authorised to operate upon and bind the funds of the institution.
 - iii) Audited accounts of income and expenditure and balance sheets for the last three years, certified by a Chartered Accountant or any authorised Auditor.
 - iv) An up-to-date copy, duly attested by a Gazetted Officer, of the documents showing the aims and objects of the organisation.

- v) A certificate, countersigned by the Chartered Accountant, to the effect that all the grants received from the Government of India and the State Government during the last five years have been fully utilised for the purpose for which they were sanctioned.
- vi) In case of grants for construction of building, a certificate to the effect that the land for the construction of the building for which the grant has been applied for is available and the institution has the legal title to it and the construction and alteration, etc., will be made at rates for similar work which should not be more than the prevailing State PWD schedule of rates. The blue prints of the plans and the reasonableness of estimates of the building to be constructed duly certified by a qualified engineer/architect and a certificate from the Local Municipal or other appropriate authority that the construction of the building has been permitted should also be enclosed.
- vii) In case of grants for equipment, a letter from a reputable firm showing that the items of equipment proposed to be purchased are immediately available from indigenous sources and that no import licence, etc., is required.
- c) In case any of the above documents are in a language other than English or Hindi, a translated copy thereof in English or Hindi should be attached.
- d) Any suppression of facts, mis-statement or false information furnished to the Government will, besides such other action as may be deemed appropriate, render the institution ineligible for further grants and make it liable to refund the grant secured on such basis.

SCHEME FOR IMPROVEMENT OF MEDICAL SERVICES

PROFORMA OF APPLICATION

NOTE: (ANY SUPPRESSION OF FACTS, MIS-STATEMENT OR FALSE INFORMATION FURNISHED TO THE GOVERNMENT WILL, BESIDES SUCH OTHER ACTION AS MAY BE DEEMED APPROPRIATE, RENDER THE INSTITUTION INELIGIBLE FOR FURTHER GRANTS AND MAKE IT LIABLE TO REFUND THE GRANT SECURED ON SUCH BASIS).

1. Name of the institution.
2. Registered address.
3. Whether registered under an act or a statute? If so, the name of the act or the statute.
4. Name of the hospital/dispensary for which assistance is sought.
5. Address of the hospital/dispensary.
6. Date of setting up of the hospital/dispensary.
7. Population of the city/town/village where the hospital/dispensary is situated.
8. Does the hospital cater to high density urban slum area? If so, the name/names of the slum colony/colonies and its/their population.
9. What are the aims and objects of the institution? (an upto-date copy duly attested by a Gazetted



Officer of the documents showing the aims and objects of the institution to be attached).

10. Nature of activities in the field of medical care (a copy of the latest annual report of the institution to be furnished).
11. Organisation or body responsible for the maintenance of the institution and its composition (a copy duly attested by a Gazetted Officer of the documents showing the constitution of the present Governing. Body or Managing Committee responsible for its maintenance alongwith the names and designations of the two office bearers who are authorised to operate upon and bind its funds to be enclosed)/
12. Has the institution done any family planning work, if so, details thereof?
13.
 - a) Bed strength of the hospital,
 - b) The number of beds which are free as per the definition of the free bed/free medical care given at the end of this application form.
14. Whether the institution agrees to reserve 1/5th of the total bed strength as free beds as per definition of free bed/free medical care referred to at 13(b) above?
15. Particulars of the staff employed viz. their names, qualifications, designations and scales of pay.

16. The annual expenditure incurred by the institution on free beds.
17. Year-wise number of indoor/outdoor patients treated during the last three years.
18. a) Whether any grants have been sanctioned by any other department of Government of India or the State Government for the purpose for which the financial assistance is now sought? If so, the details thereof. If not, furnish a certificate duly attested by the auditors.
18. b) Recurring or non-recurring grants received, if any, from the Central/ State Governments during the last 5 years for the purpose other than those which have been indicated at 18 (a) above. Where such grants were received, a certificate to the effect that all the grants have been utilised for the purpose for which they were sanctioned to be attached, duly certified by the Auditors.
19. Whether the institution is involved in any proceedings. If not, furnish a certificate to the effect that the institution is not involved in any proceedings relating to the account or conduct of its office bearers.
20. a) Financial resources:-
 - a) Total income during the last financial year Rs.
 - b) Total expenditure during the last financial year Rs.
 - c) Assets at the end of last financial year Rs.

- 21 a) Sources of income (donations, hospital fee, bank interest & grant, etc., received during the last financial year should be indicated here, source-wise).
- b) Particulars of donations received from such donors as have claimed exemption on paying income tax on the said donations.
22. Whether the accounts of the institution are audited by a Chartered Accountant or a Government auditor? If so, the statements in original of its annual audited accounts, viz, income & expenditure accounts, receipt and payment accounts and balance sheets for the last 3 years duly certified by the said auditors to be enclosed.
23. Purpose for which financial assistance is sought.

A - EQUIPMENT

24. a) Amount of grant asked for the purchase of costly hospital equipments (a detailed list of costly items of equipment indicating the quantity required, specifications and cost of each individual items to be attached).
- b) Whether equipment proposed to be purchased is readily available (a letter from a reputable firm showing that the items of equipments proposed to be purchased are immediately available from indigenous source and that no import licence is required should be enclosed).

- c) Whether the institution has already got similar equipment in use in the institution for which the new grant has been asked for. If so, the justification for the additional quantity required and the manner in which the existing stock will be utilised or disposed off.
- d) Whether necessary accommodation, staff and facilities for the installation of the equipment proposed to be purchased are available, so that the equipment can be put to immediate use.

B - CONSTRUCTION

- 25. a) Amount of grant asked for construction (extension);
- b) Whether land is available (a certificate to the effect that the land for the construction of the building for which the grant has been applied for is available and the institution agrees to spend an equal amount wherever applicable on the construction from its own resources at the rates which will not be more than the prevailing State PWD schedule of rates for similar work, the funds to the extent agreed upon have been collected, the blue print of the plan, reasonableness of the estimate of the building to be constructed

duly certified by a qualified engineer/architect and a certificate from the local municipal or other appropriate authority that the construction of the building has been permitted, to be attached)

26. Schedule of charges recoverable from paying patients.
27. Whether the project or scheme can be taken up in case the Central assistance is less than the amount asked for. If so, how?
28. Details of assistance received from foreign sources during last three years.
29. Name of the Scheduled bank or post office where accounts of the institution/organisation are maintained and operated upon by its two authorised office bearers.
30. Any other information justifying the request for grant.

It is certified that the information given above is correct.

It is also certified that this is a charitable institution and serves the general public without any distinction of caste, creed, colour or religion.

Signature of the authorised
office bearer of the institution.

Designation and name of the institution
(SEAL)

Details of Enclosures:-

- a) Certified copy of Registration of the Institution (Sr. No. 3 above)
- b) An upto-date copy of the documents duly attested by a Gazetted Officer showing the aims and objects of the institution (Sr. No. 9 above).
- c) The latest annual report of the institution (Sr. No. 10 above).
- d) Documents showing constitution of the present Governing Body/ Managing Committee (Sr. No. 11 above).
- e) Certificate regarding non-receipt of financial assistance for the same purpose & utilisation of earlier grants (Sr. No. 18 (A) & 18 (b) above).
- f) A certificate to the effect that the institution is not involved in any proceedings relating to the accounts or conduct of its office bearers (Sr. No. 19 above).
- g) Audited accounts for the last three years (Sr. No. 22 above).
- h) List of essential and costly equipments (Sr. No. 24 (a) above).
- i) A letter from reputable firm about the availability of equipments from indigenous sources (Sr. No. 24 (b)).
- j) Certificate regarding availability of land for construction of building (Sr. No. 25 (b) above).
- k) Blue prints of the construction plan (Sr. No. 25 (b) above).
- l) Detailed estimates for construction work & reasonableness of rates for construction (Sr. No. 25 (b) above).
- m) Certificate regarding permission for construction of building (Sr. No. 25 (b) above).
- n) Schedule of charges recoverable from paying patients (Sr. No. 26 above).

In case any of the above documents are in a language other than in English or Hindi, a translated copy thereof in English or Hindi should be attached.

Definition of free bed/free medical care

Free medical care shall mean free accommodation, medical attendance treatment including diet (which is ordinarily provided to in-patients in General Ward of a hospital.)

1. Accommodation/bed should include provision of cot, linens, mattress, pillow etc.
2. Medical care should cover all the facilities such as supply of medicines (ordinary medicine as supplied in hospital, dressings and life saving drugs) investigations like laboratory tests, X-Ray and other investigations, operations, medical attendance and nursing care as ordinarily provided to in-patients in General Ward.
3. Diet.

Certificate and recommendations of the State Govt.

Govt. of _____ Department _____
Station _____ No. _____
Dated the _____.

F O R W A R D E D

This institution has been visited by the Director of Medical Service/District Medical Officer/Civil Surgeon _____ (Place).

The State Govt. recommend a grant of Rs. _____

(Rupees _____) (For purpose) _____

which is/are considered essential for the development and efficient working of the institution.

It is also certified that:-

1. The State Govt. have examined the audited statement of accounts of _____ for the last three years and are satisfied that the grant-in-aid asked for by them is justified by their financial position and that all previous grants received by them from various sources have been spent for the purpose for which the grants were sanctioned.
2. The State Govt are satisfied that the institution has the experience and managerial ability to carry out the purposes for which the grant of financial assistance has been asked for.
3. There is nothing against the organisation or its office bearers/staff which should disqualify them from receiving the financial assistance from the Govt. of India. It is also certified that the institution is not involved in any corrupt practices.
4. The institution is not of a local character.
5. The information provided by the institution in paras 7 & 8 of its application for grant is correct.

Signature and Designation
(To be signed by an Officer not
below the rank of Deputy Secretary)

To

The Secretary to the Govt. of India,
Ministry of Health and F.W.,
(Department of Health)
New Delhi-110011.

**ASSETS ACQUIRED WHOLLY OR SUBSTANTIALLY OUT OF GOVERNMENT
GRANTS-REGISTER MAINTAINED BY GRANTEE INSTITUTIONS**

Block Account maintained by Sanctioning Authorities

Name of sanctioning authority _____

Sl. No.	Name of the Grantee institution	No. & Date of sanction	Amount of sanctioned grant	Brief purpose of the grant	Whether any condition regarding the right of ownership of Govt. in the property or other assets acquired out of the grant was incor- porated in the grants- in-aid sanction.	Particulars of assets actually created of acquired
1	2	3	4	5	6	7
						<p>The assets acquired wholly or substantially out of the grant shall not be disposed off, encumbered or utilised for a purpose other than the one for which the grant was sanctioned, without prior approval of the Ministry of Health and Family Welfare, New Delhi.</p>

